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071816Z Apr 05

C O N F I D E N T I A L SECTION 01 OF 02 LAGOS 000531

SIPDIS

STATE FOR AF/W  
STATE FOR CA/OCS/SDENYER  
STATE FOR EB/ESC/IEC/ENR/BLEVINE  
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STATE PASS DOE FOR DAS JBRODMAN AND CGAY  
STATE PASS TREASURY FOR ASEVERENS AND SRENENDER  
STATE PASS DOC FOR PHUPER  
STATE PASS TRANSPORTATION FOR MARAD  
STATE PASS OPIC FOR ZHAN AND MSTUCKART  
STATE PASS TDA FOR BTERNET  
STATE PASS EXIM FOR JRICHTER  
STATE PASS USTR FOR ASST USTR SLISER  
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ

E.O. 12958: DECL: 04/07/2015

TAGS: [EPET](#) [EINV](#) [CASC](#) [PGOV](#) [ASEC](#) [MOPS](#) [NI](#)

SUBJECT: AMCITS RELEASED IN TIDEX STRIKE; STRIKE CONTINUES,  
VESSELS STILL OCCUPIED

REF: A. ABUJA 522

- [B](#). LAGOS 521
- [C](#). LAGOS 509

Classified By: Consul General Brian L. Browne for Reasons 1.4 (D & E)

Summary

[1](#). (C) Tidex reported all expatriates, including ten AMCITS, have safely left the vessels in Onne and Escravos ports. GON intervention with national union leadership seems have played a role convincing the strikers to allow the expatriates off the vessels. The strikers still control approximately 22 Tidex vessels, and have not agreed to return to work or release the vessels. Tidex will meet GON officials and unions in Abuja on Friday in a bid to resolve remaining issues. Tidex management complains the Onne NUPENG executive council maintains power through threats and intimidation of rank-and-file workers.

Expatriates, Including Amcits, Released by Strikers  
Through GON Intervention with Unions

[2](#). (SBU) Mission has learned from Tidex Managing Director Bob Vaughn that approximately forty expatriates, including ten AMCITS held by Tidex strikers since 11 March, have been released unharmed. GON pressure via petroleum union NUPENG and PENGASSAN national leadership appears to have been the fillip. MD Vaughn told us several GON officials provided assurances to Tidex management the strikers would now allow the expatriates to depart. Based on these assurances, the firm decided move the expatriates this morning, despite the strikers making numerous threats in the last week against them. This morning, the firm told the expatriate crews to depart the vessels; the movement was completed by about 0915, with all expatriates safe.

Focus Shifts to Friday Meeting Between GON, Tidex, Labor

[3](#). (C) As per reftel A, a meeting between the GON, labor, and maritime agency JUMALIC is planned for 8 April in Abuja. MD Vaughn has confirmed the Tidewater/Tidex management team will attend the meeting. (Note: Tidewater/Tidex management has resisted negotiations with NUPENG and PENGASSAN, stating they will not negotiate until the strikers return to work. However, they seem to have realized they must be at the table during this all-hands session. End note.) Special Assistant to the President on Petroleum Matters Alhaji Paki complained to Energy Off that the Tidewater/Tidex management team was "difficult" to deal with, but was pleased when we assured him they would attend the Ministry of Labor-led meeting.

Tidex Vessels Still Being Held;  
No Agreement to Release Vessels or Return to Work

[4](#). (C) While the expatriate crew have been released, Tidex still faces numerous challenges. Tidex management believes a significant number of their crews have been coerced into participating in the strike. As pressure to end the strike mounts, they fear possible violence between workers who favor returning to work and those who want

to continue the strike. Additionally, Tidex management is concerned about possible damage to the approximately 22 vessels (valued in the hundreds of millions of dollars). The strikers have not agreed to return to work; the strike continues to cost the firm about \$110,000/day.

Tidex Faces Poisonous Labor Situation;  
Blames Criminal Element in Unions  
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15. (C) This is Tidex's sixth strike in the last eight months. Both Ministry of Petroleum Resources officials and labor leaders have called the relationship between Tidex and the petroleum unions "frayed," and "difficult." MD Vaughn and other Tidewater management, however, would point to what they call a criminal element in their local NUPENG leadership to explain their difficulties. The Tidewater/Tidex management team is convinced a "mafia" has taken over the NUPENG's local leadership in Onne. MD Vaughn believes this group is driving the current strike and abrogation of existing collective bargaining agreements.

16. (C) MD Vaughn notes recent troubles began when this new group overthrew the pre-existing NUPENG executive council, and then claimed they were not bound by collective bargaining agreements signed by previous leadership. He charges the local NUPENG executive council uses threats and intimidation to maintain power, noting two Tidex employees have been shot in past union disputes. He states the practice of the rank-and-file members having to pay the senior union leadership to hold a position with Tidex is common. He also ties the recent problems to management efforts to cut costs associated with fraud and abuse. He has eliminated several million in costs in the last year, much of it through tighter fiscal oversight. He notes the firm had been paying millions in fraudulent travel and medical bills. He believes that management efforts to eliminate this spending have hurt members of the Onne area NUPENG executive council who might have been profiting from the malfeasance.

BROWNE